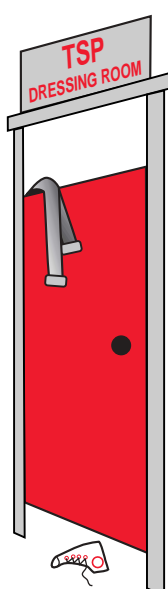


How the TSP Is Changing

Now	Later
In General	
The TSP is a monthly valued plan. Transactions are processed once a month.	The TSP will be a daily valued plan. Transactions will be processed each business day.
Account balances and transactions are processed and shown in dollar amounts.	Account balances and transactions will be processed and shown in dollar amounts, shares, and share prices.
Married FERS and uniformed services participants must obtain their spouses' waiver or consent for all withdrawal requests (except the prescribed TSP annuity).	For any withdrawal requiring a spouse's waiver or consent, a FERS or uniformed services participant must have his or her spouse's signature notarized.
TSP open season dates are November 15 – January 31 and May 15 – July 31.	TSP open season dates will be October 15 – December 31 and April 15 – June 30.
The TSP issues participant statements twice a year, for the periods ending April 30 and October 31.	Beginning in 2003, the TSP will issue quarterly statements for the periods ending March 31, June 30, September 30, and December 31.
Loans and Withdrawals	
If you have a loan, you receive quarterly loan statements.	Loan information will be included on your quarterly participant statements, rather than on separate loan statements.
You must repay a general purpose loan within four years.	You will be able to take up to five years to repay a general purpose loan.
You can reamortize your loan only once.	You can reamortize your loan without limit.
You can repay a TSP loan at any time, but only in full with guaranteed funds. (Personal checks are not accepted.)	In addition to repaying your TSP loan through regular payroll deductions, you will also be able to repay all or part of it at any time and do so with personal checks.
Only monthly withdrawal payments can be electronically deposited into your checking or savings account.	You will be able to have loan or withdrawal payments deposited electronically into your checking or savings account.
Withdrawals after separation from service must be for your entire TSP account balance.	After you separate, you may also be able to make a one-time partial withdrawal (if you have not made an age-based in-service withdrawal).
You can make a post-employment withdrawal as either a single payment, monthly payments, or a life annuity.	You can use any combination of these same options to make a post-employment full withdrawal.
You can elect to receive monthly payments for a fixed dollar amount or for a fixed number of months, or you can have the TSP compute your payments based on your life expectancy. You cannot change your election.	You will be able to receive monthly payments for a fixed dollar amount or have the TSP compute your payments based on life expectancy. You will be able to make a one-time change from TSP-computed payments to fixed-dollar-amount payments. Once a year, you will be able to change the monthly fixed dollar amount you are receiving.
After you separate from service, you will receive an automatic cashout if your account balance is \$3,500 or less, unless you choose another withdrawal option.	After you separate from service, you will receive an automatic cashout if your account balance is less than \$200. No other withdrawal options will be available.
Web Site and ThriftLine	
Both the TSP Web site and the ThriftLine provide general Plan information and allow you to find out your (monthly) account balance; make an interfund transfer; allocate future contributions among the five funds; change (or request) a PIN; find out the current loan interest rate; and learn the amount available to you for a loan.	On both the TSP Web site and the ThriftLine, you will also be able to find out your daily account balance and daily share prices.
On the Web site, you can find out your outstanding loan balance and prepayment amount.	You will be able to find your outstanding loan balance and loan prepayment amount on the ThriftLine as well.
On the Web site, you can download TSP forms and materials. You can also use interactive calculators to project a future account balance; to estimate annuity payments and loan payments; and to find out how much you can contribute per pay period without exceeding the elective deferral limit before the end of the year.	<p>On the Web site, you will also be able to begin (and in some cases, complete) a loan or withdrawal request and reamortize a loan. You will be able either to estimate the number of monthly withdrawal payments you will receive if you choose payments of a specified amount, or to estimate the amount of your payment if you choose to have monthly payments computed based on IRS life expectancy tables. If you are separated from service, you will also be able to update your name and address.</p> <p>On the ThriftLine, you will also be able to request that certain TSP forms and publications be mailed or faxed to you.</p>

How the TSP Is Changing

Effective September 16, 2002, the TSP will have a new record keeping system! And with the new system will come many great new features for you. Read the "How the TSP Is Changing" chart for a summary of the changes you can expect on September 16. More details about these changes are covered in the *Summary of the Thrift Savings Plan for Federal Employees* and the *Summary of the Thrift Savings Plan for the Uniformed Services*.



We will convert to the new system between August 31 and September 15, 2002, when the TSP will close out the old system and transfer all TSP account records to the new one. This means we must adhere to deadlines for transactions under the old system.

If you want to receive a **loan** or **withdrawal** in early September, your completed paperwork must be received by the TSP no later than August 23. Otherwise, your loan or withdrawal request will be suspended during the transition period and paid after September 15.

If you want to request a **PIN** or make a **contribution allocation** before the conversion, you need to do so before August 31, 2002. No electronic requests will be accepted between August 31 and September 15. Paper requests made during that time will be held for processing on September 16.

You will not be able to request an **interfund transfer** electronically from August 16 through September 15. However, during that time, you may submit a paper request, which will be held for processing on September 16. (Interfund transfers submitted during that time would have become effective on September 30 under the old system. However, under the new system, they will become effective as soon as processed.)

All Web and ThriftLine features will be available on September 16.



Additional detailed information will be available later in the booklets *TSP Loan Program*, *TSP In-Service Withdrawals*, *Withdrawing Your Account After Leaving Federal Service*, and *Guide to TSP Investments* and in the TSP Fact Sheet "Using the TSP Web Site and the ThriftLine."



Federal Retirement Thrift Investment Board
Web site: www.tsp.gov ☎ ThriftLine: (504) 255-8777